

91-011

April 8, 1991

PERS Employers

Employee suggestion awards

Many employers have suggestion award programs that provide cash awards to employees. In most cases, suggestion award payments are not compensation for work-related activities. For this reason, such payments should not be reported to the Department of Retirement Systems as compensation for PERS retirement calculations.

Most suggestion award programs provide cash awards to employees who make suggestions as part of a voluntary program. Since suggestion award payments are not payments for fulfilling the employee's assigned duties or responsibilities, such payments are not considered compensation as defined under PERS law.

If your organization operates a suggestion award program that provides cash payments for work **within** the employee's assigned area of responsibility, contact Hector Gonzalez of the DRS Legal Affairs Unit to obtain clarification of the status of your program. Mr. Gonzalez can be reached at (206) 586-3414, SCAN 321-3414.

If you have erroneously reported suggestion award pay in the past, you will need to reverse such transactions by backing them out on your transmittal report. Specific questions related to transmittal reporting may be directed to the DRS Employer Relations Unit at (206) 753-8696, SCAN 234-8696.

DRS wishes to thank employers for their cooperation in this matter.

George Northcroft

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Director

1991 DRS Notices

If you did not receive a Notice, check this list to verify that the Notice applies to you and/or your employees. If you need a copy, call the DRS Technical Writing Unit at (206) 586-4515, SCAN 321-4515.

Notice No.	Date	Applies to/ Subject matter
91-001	Feb. 4	All Retirement Systems Transmittal report due dates
91-002	Feb. 25	PERS and TRS Employers New member Enrollment Form and procedure
91-003	Feb. 25	Employers of LEOFF, Judicial, and Washington State Patrol Retirement Systems New member Enrollment Form
91-004	Mar. 4	PERS Employers Changes to member brochure "PERS Disability Benefits"
91-005	Mar. 13	PERS Employers Members' Annual Statements
91-006	Mar. 13	LEOFF, Judicial, and Washington State Patrol Retirement System Employers Members' Annual Statements
91-007	Mar. 19	All Retirement System Employers Proposed rules to implement an interest charge on past due accounts
91-008	Mar. 25	PERS and TRS Employers New member Enrollment Form (DRS 101006)
91-009	Mar. 25	Employers of LEOFF, Judicial, and Washington State Patrol Retirement Systems New member Enrollment Form (DRS 101006)
91-010	Mar. 28	Higher Education Employers Changes in transmittal report type codes
91-011	Apr. 8	PERS Employers Employee suggestion awards
